

fair telecoms campaign

news release

Forthcoming Ofcom announcement - the end of the 084 telephone number rip-off

Announcement expected March 2013

Following completion of arrangements made following a consultation last year (see <u>summary</u> and <u>details</u>), Ofcom is expected to announce the fine detail, and timescale for implementation, of the "Unbundled Tariff" for calls to non-geographic telephone numbers in March 2013.

The "Unbundled tariff"

The charge for calling telephone numbers with the prefixes 084, 087 and 09 has two components:

- The "Service Charge" set at a fixed rate, according to the type of number, paid over to the party called (via their telephone service provider).
- The "Access Charge" added and retained by the telephone company originating the call.

Presently these two components are bundled together into a single rate. BT is subject to particular unique regulation, which essentially prohibits it from adding an Access Charge.

In future, these elements will have to be advised separately, by the respective beneficiaries - the "Service Charge" by the user of the number and the "Access Charge" by the telephone company. In each case they will be constant. The special regulation of BT will be lifted.

The impact on users of 084 numbers

Users of 087 and 09 numbers are already classified as being providers of "Premium Rate Services" and therefore must already state the minimum cost which may be incurred when calling them.

Users of 084 numbers commonly deny the existence of any "Service Charge", or claim that they choose to gift it to their telephone company. If they continue to use 084 numbers, they will have to declare that they benefit, at rates **between 2p and 7p per minute**.

In many cases they will choose to take advantage of the option to migrate to the 034 equivalent for their 084 number, which Ofcom has made available for this purpose. Calls to all 03 numbers are charged at the same rate as calls to geographic numbers (commonly zero under the terms of bundles and packages) for all types of telephone service - there is no "Service Charge" on 03.

Impact of the Consumer Rights Directive

Those who are covered by the terms of the provisions of the Consumer Rights Directive, a timetable for the implementation of which will be announced shortly by BIS, will have to give up use of 084 numbers. These provisions will **prohibit use of numbers charged at more than the basic rate for calls from existing customers**. (see news release)

Coverage of this story

When the Ofcom announcement is made (probably without warning), we are anxious that the importance of the end of the "rip-off" associated with 084 numbers will be seen amidst extensive and detailed provisions. <u>Ofcom's independence will prevent it from stressing this aspect</u>.

We will assist with explanation of the implications and encourage comment from 084 users -

will they continue to use them - advising of their Service Charge ?



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